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A HISTORICAL PROLEGOMENON OF THE LEGAL FRAMEWORK AND URBAN LAND POLICY IN SERBIA AS A BASIS FOR URBAN DEVELOPMENT

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The key objective of this paper is to provide an overview of the historical context and development of construction land and its relations to urban development in Serbia. The paper discusses global developmental contexts, legal frameworks and changes of the Serbian urban land policy from the end of the 19th century until today. We emphasize the delay of reforms in Serbian urban land policy as a consequence of the complexities of legal framework, especially under the conditions of the economic and societal transformation (after 2000). The paper presents the original results of the historical changes of the legal system in the field of urban land policy and its connection with the system of spatial/urban planning. Also, we provide recommendations for the future urban land policy, which include further transformations of the legal framework in the post-socialist/transitional period. There is a long lasting need for readjusting the current planning and urban land policy in Serbia, as well as for introducing new urban land policy tools.

Key words: historical context, legal framework, urban land policy, urban planning, Serbia.

INTRODUCTION

Urban construction land is a limited natural, social, economic, and public good. Urban land as a public good is subject of the government intervention and control (land registers, urban/spatial plans, legal and tax instruments, the market price of land), sometimes and repression (the expropriation, land grabbing², etc.). Generally, land is one of the most important sources of wealth and social prestige in many societies (among property, land rents/revenues, consumer goods, socio-cultural values, social status, power, etc., see e.g. Weber, 2014), as well as an important economic and social advantage and can be the cause of social conflicts. According to prolegomena, the study of space (including urban land) has become the key concept for understanding many socio-economic, political and other processes.

The urban land policy is an important element of the state economic policy, it is significant for the implementation of spatial and urban plans, as well as for social, economic and overall development of cities. Land policy represents an

important precondition for the development and quality management of cities and settlements, all with the objective of improving life quality of their citizens.

The main objective of land policy is social and economic maximization of land use effects in accordance with sustainable development policy. It should be based on the principles of economic efficiency, social responsibility, cultural values, equity and sharing the public benefits.

The historical context and the current transition processes have caused the changes of urban land policy in Serbia (re-acquiring of the land property rights by the conversion of the right to use and lease, privatization and restitution). According to the UN-Habitat (2015), the lack of urban land policies and clear regulations can lead to uncoordinated city growth and the increase in illegal and informal settlements, while excessive regulations can lead to division of urban land-use into exclusive residential, commercial, or industrial areas.

This paper offers a systematized historical overview of the legal frameworks of urban land policy, their tools and key effects, as well as an analysis of the coherency related to different policies (economic, social, urban), especially in the post-socialist transitional period in Serbia. The analysis includes following parts: 1) the historical review

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² As an issue of large-scale land acquisitions: buying or leasing large parts of land by (inter)national investors (companies or individuals) and government.

of the legal regulation frameworks of the urban land development and spatial/urban planning system in Serbia, 2) the critical analysis of the current state of the urban land policy and its effects in urban development in Serbia, and 3) recommendations for a new urban land policy in Serbia.

Theoretical background

Land policy is a part of the national policy instrument, which includes the goals of economic development, social justice and equality, and political stability (Enemark, 2005), as well as security and allocation of different property rights and leases, land-use and land management, access to land, etc. Also, urban land policy includes different principles, rules, methods, measures and tools, especially important for the sustainable urban development and governance (i.e. regulation of the property rights, land transfers and transactions, land values, land-use, land/real estate markets, land development & management, land administration, prevention of land speculation, etc.). The urban land policy can be applied if adopted in different sector policies which are consistent within their-self and with each other (Karakurt, 2009).

The literature on urban land policy and the role of the construction land in urban planning transformations in transitional countries indicates important role of legal frameworks changes based on some general legal theories (e.g. classical natural law theory, classical legal positivism, legal realism, legalism and others; see Gams, 1979; Lilić, 2002), theory of property, i.e. theory of appropriation, theory of ownership, theory of entitlement, theory of first appropriation/ "possession" (Hann, 2007), as well as theory of polyrational land policy (Davy, 2012; 2014), and others. Doherty (2008) indicated that propertarianism "reduced all human rights to rights of property, beginning with the natural right of self-ownership". Contrary to natural law theory, Tucker (1897) indicated that there is not any inherent right of property. Property is one social convention which may appear in many forms and which is based on the principle of equal liberty. Otherwise, other forms and principles can lead to a deficit, conflict, and manipulation. Tucker argued that "in the case of land the supply of which is so limited that all cannot hold it in unlimited quantities". Also, this is opposite to the so-called "absentee ownership" for land. According to Veblen and Levy (1997), absentee ownership is the main controlling interest in the theory, economy, sociology, and urban life. Davy (2014) further explores "polyrational" theory that explains the connection of multi-scale planning and land policy. This theory is based on the multiple interrelations between the land-use and the ownership relationships to land. Moss (2014), indicates the growing role of international regulation of resources (urban land) at the local level.

Urban land development is important part of theoretical background for transformations of the urban development, especially in post-socialist/transition society (Slavov and Nikiforov, 2013; Tsenkova, 2012; Hirt, 2007, Zeković *et al.*, 2015a). Bertaud and Renaud (1997) indicate that the suppressed urban land market started to "bloom" after 1989, as the new housing preferences and consumption developed and the market for urban development land emerged. Land consumption for housing, economic growth,

employment, population growth and transportation create serious pressures in urban areas (Nuijsl *et al.*, 2009). Different policies and instruments try to prevent excessive land consumption and impact assessment of land-use changes in urban areas, as well as different types of spatial governance for (peri-urban) territorial cohesion (Ravetz and Loibl, 2011). Begović (2005) and Knaap (1998) concluded that land markets are imperfect and subject to government interventions. Land values and land-use are determined by the interaction of supply and demand (Harvey and Jowsey, 2004). Needham (2000) stated that land policy can be used to support land-use planning, and can restrict the land supply on some locations.

Urban land governance requires clear legal frameworks, efficient political, managerial and administrative processes, and guidelines for decision-making with participation of many stakeholders who have different priorities in land-use development. Hartmann and Needham (2012) find that planning approaches are rooted in the activities of making, implementation and enforcing for property rights over land, i.e. 'planning by law and property rights'.

Methodological approach

In analysis we applied a *historical and contextually appropriate approach*, which includes the comprehensive analysis and in-depth analysis of the long-term historical changes of the national legislative framework of urban land policy and urban policy in Serbia, and their impacts on spatial/urban planning. This approach is based on the discourse analysis and critical law analysis related to urban land policies, and on the connections of urban land policies with the changes of legal framework of urban development in Serbia.

THE HISTORICAL CONTEXT OF CONSTRUCTION LAND POLICY IN SERBIA

The historical development of legal construction in Serbia spans from the ancient and medieval times, over the 19th and early 20th century capitalism to the socialist and post-socialist period. According to Ando (2010), Roman emperor Justinian introduced the *Codex Iustinianus* (528–534 AD) as a large codified program which came into force in 529 in the Balkan region. Roman law includes both land and property ownership. It has a universal character which was maintained, with some modifications, during the Middle Ages until the present, and it was in use in the Eastern Roman Empire (Byzantine Empire from 330–1453, including Serbia). The laws were based upon local regulations (*mos regionis* – "regional tradition", "law of the land") as the sources of legal and social stability. The development of medieval legislation in Serbia was under the strong influence of the Roman law of Eastern Roman Empire. By adopting the King Dušan's Code in 1349 legal regulations were introduced, including property rights.

The essence of the current European *acquis communautaire* is the implementation of a principle of legality (French *principe de legalite*), the concept of a legal state (German *Rechtsstaat*) and *rule of law* within the two legal systems – the European continental law and the Anglo-Saxon common law (van Gerven, 2008), as well as their hybrids (Figure 1).

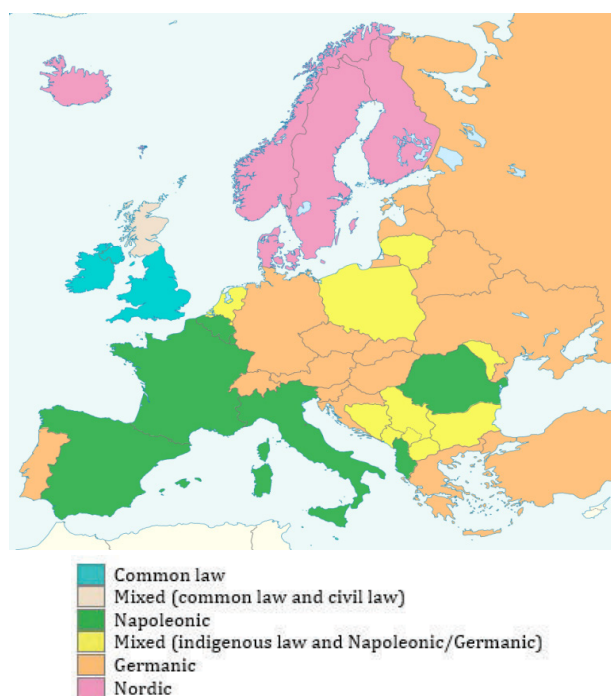


Figure 1: Legal systems in Europe

(Source: https://commons.wikimedia.org/wiki/File:Legal_systems_in_Europe.svg)

Both systems have adopted numerous institutes of Roman private law, with amendments and addendums, particularly regarding the real property law, law on contractual relations and civil law. Post-socialist countries, including Serbia, have created a new framework for regulating a myriad of different interests in construction land development. Due to variable interests and the change in the social and economic context, there is a stronger interdependence between construction land development and the urban area. There is a discrepancy between legal and real property elements of urban development, especially in the insufficiently formed post-socialist system. There is a constant conflict between the regulated and actual matter of things, between private and public property and different interests, a conflict between economic interests and social requirements, strong battles (with shares, finance and capital, especially on the real estate market; see: Scott and Storper, 2015, Harvey, 2012), followed by conflicts in the political/government arena.

In accord with the results realized within the German-Serbian cooperation project *Strengthening of Local Land Management in Serbia* (Müller *et al.*, 2015), the development of construction land is determined by the framework and the influence of three different historical contexts (Zeković *et al.*, 2016), in which different political and socio-economic systems dominated. Contemplatively, **the first context** was formed from the mid-19th century to World War II, and included the economic order based on *capitalism* and the *development of civil society*, in an undeveloped agricultural country. The **second context** includes the period after World War II up to 2000, which is characterized by an *authentic development of a socialist system*, in three phases: **a) Phase of the administrative-centralist system and post-war restoration (1946–1950)**, **b) Phase of the authentic**

socialist system of self-management (1950–1990), with a stage of associated labor and consensus economics (1974–1990), **c) Phase of the breakup of Yugoslavia and the collapse of the socialist system (1990–2000)**. The **third context** (after the democratic changes in 2000) includes **the post-socialist transition of the society and economy within the capitalist system of neoliberal discourse**. In Table 1 we present a very brief historical overview of the urban land policies and urban planning development (UPD) contexts in Serbia, with a preliminary review of Belgrade case. We analysed in more detail only the third context – the post-socialist transitional period after 2000.

Post-socialist transitional context (from 2000 until today)

Following the democratic changes in 2000, in the post-socialist transitional development environment, a new institutional framework was created based on capitalist system (of the neoliberal discourse). Since 2003, legislation regarding construction land has been merged with spatial-urban planning legislation and developed in a post-socialist context. Under the motto of codification, a mechanical unification of legal matters of urban and spatial planning, construction land and building structures into one law (Pajović, 2005) with 25 by-laws was carried out (the Planning and Construction Act, 2003). A radical alteration of the system of land disposal by municipalities and towns was implemented – private property of other lands for construction was allowed, by-passing the then valid Constitution of 1990. The Constitution of 2006 prescribed that construction land could be in private hands, and facilitated this transfer. The Law allowed the sale and transfer of rights of access for unbuilt land. The right of long-term lease of state-owned land for 99 years was introduced instead of the permanent right to land access.

The new Planning and Construction Act (PCA) was passed in 2009, with amendments and addendums (2010–2014). According to the PCA, there can be all forms of property over construction land which is on the market (construction land in public property as well). The government plays an important role in adopting frequent amendments and addendums to laws, with aspirations to create urban planning and other legislation that will allow subsidies to investors in the field of construction land, a fast and efficient approach to cheap and attractive locations, as well as a fast issuance of building permits. The regulation of construction land has undergone the biggest change, and practice has shown that the greatest difficulties appeared in that segment. The PCA, which is not *sui generis* for the privatization of construction land, especially before the restitution (*Act on property restitution and compensation*, 2011), regulates the conversion of access rights to nationalized built land into property rights with a fee or without it (Nedovic-Budic *et al.*, 2012). For the first time after 1958, the law facilitated that urban construction land can be in private ownership. Natural and legal persons founded by the state, region or municipality are allowed to convert access rights to urban construction land into public property rights, without a fee. It is possible to convert access rights into the right of private property for the category of previous proprietors, their legal heirs and persons having gained rights from them under

prescribed conditions. Persons who have the right of lease on other state-owned construction land are allowed to remain lessees. It also predicted that companies on state-owned construction land that hold access rights, and which hold this status due to privatization of enterprises or bankruptcy, can convert their access right into right of property by paying the market value of the land minus the costs of acquisition, where the Serbian government prescribes the fee based on the conversion. Problems in law implementation indicate that for the codification of these three legal matters the right conditions have not been met yet. Legal provisions on the conversion of construction land with a fee have been contested by a decision of the Constitutional Court and repealed (2013). The right of property over public-owned construction land belongs to Serbia, province or unit of local self-government. With the introduction of the integral real estate cadastre system (in 1992 and 2009), land registry books and other systems of recording property are not valid anymore. By adopting the amendments and addendums on the PCA (2014), the controversial provisions on the conversion of access rights to construction land into right of property were excluded, with a fee, and for this field, the adoption of a special law is predicted. The *Act on converting the land-use right into the right of property over construction land with a fee* was adopted in 2015. All construction land in public ownership can be subject to the conversion procedure, unless designated for public use or subject to restitution claim.

GENERAL TRENDS IN CURRENT CONSTRUCTION LAND DEVELOPMENT IN SERBIA

Construction land market in Serbia is underdeveloped, some regulatory mechanisms and institutions are missing, and appropriate models of financing land development are lacking as well (Zeković, 2008). The case of Serbia's incomplete reforms illustrates the challenges of land policy development in a post-socialist societal transition. The stipulation of the PCA may have even worsened the situation by introducing the stipulations that provide conversion of land-use rights and leaseholds on urban (construction) land into property right. In Serbia, there is a lack of transparency and stability on the real estate market and urban land market, as well as a lack of the established approaches, criteria and methods for the property evaluations in accordance with reliable market and planning data on property values. The urban land regulation in Serbia indicates the type of regulatory/legal framework and governance which much more supports an administrative than a market approach.

A number of factors contributed to a drastic decline in real-estate values (as the consequence of global economic and financial crisis), followed by their subsequent erratic, weak and slow recovery. Both system and practice cannot cope with the challenges of key contextual factors, viz., transition processes, global economic and financial crisis, growing economic uncertainties and risks, Serbian candidacy for the EU membership, policy of attracting FDI, spreading of 'the real-estate bubble', conversion of the housing boom, real-estate boom and urban land bubble into urban doom (urban sprawl), etc. The causes of the 'real-estate bubble' and 'land bubble' growth in cities are numerous, as well as its consequences.

Both the characteristics of Serbia's urban land policy, the delay in reforms and land development management illustrate the complexities following the reshaping of institutional framework under the conditions of economic and other uncertainties of societal transition in the post-socialist period. The current Serbian land management framework does not reflect the requisite changes, the need for market regulation, and the enormous increase in urban land prices, although efficiency land governance is vital for improving urban planning. The negative implications of the prolonged crisis on the new urban development policy and urban land tools can postpone the establishment and application of new planning and urban land instruments.

A lack of equipped urban construction land for green-field investments, housing, business and industry, along with neglecting brown-fields has also contributed to the crisis. The lack of urban land policies and clear regulations can lead to an uncoordinated city growth and the increase in illegal/irregular and informal settlements, while excessive regulations (such as strict zoning) can lead to division of urban land-use into exclusive residential, commercial, or industrial areas, which may result in urban sprawl and low density urban expansion.

Construction land management takes place in the absence of a real land market, market institutions and mechanisms, with relatively complicated administrative procedures. In the post-socialist period, financing and construction land instruments have not changed significantly in comparison with the previous period. According to World Bank (2004), the prices of construction land in Serbia were extremely high compared to the price of agricultural land (the value of urban construction land is 1,000 times higher than the price of agricultural land). Various actors capitalize the increased urban land value (as a result of the public investments into infrastructure) without land taxation. Due to the significant reduction of investments, local public revenues based on land development fees are reduced. The reduction of local budgetary revenues and a need for new capital infrastructure and the readjustment of construction land have been exceeded by credit indebtedness of the local governments/ municipalities. The lack of taxation or capture of the increased value of construction land (as a result of social investment) is one of the main challenges of the crisis in local public finances.

From the point of construction land equipping in the cities of Serbia, it can be assessed that there are different challenges to overcome the inefficiencies of the existing solutions, as follows: the impact of the global crisis and the collapse of real estate markets; delay in the reform of local public utilities and local public companies and their compliance with the construction land policies and tools; high expectations from the European funds in financing urban infrastructure; uncertainty in the programming of the urban land instruments due to the unpredictable dynamics of the realization of the investment (e.g. land development fee), etc.

The main downsides of the existing system of construction land are: inefficient land-use, weaknesses of the information system, urban sprawl, construction and investment

Table 1: A brief historical overview and context of the urban land policies and urban planning development (UPD) in Serbia, and Belgrade

| Context / Phase | Characteristics | Key regulations in urban land policy and UPD | Key points of UPD in Serbian cities and Belgrade |
|---|---|---|---|
| I - Phase from mid-19th century to WW II | | | |
| 19th century | <ul style="list-style-type: none"> - Undeveloped agricultural economy based on the capitalist system - Initial development of civil society - "Serbia is the only country in Europe without public debt" (<i>New York Times</i>, 22 July, 1876) | <ul style="list-style-type: none"> - <i>Serbian Civil Code</i> (1844) foresaw the registration of property in the legatee books - Three parallel and different systems of legal records on the rights to real-estate, owners and legal status of land: 1) <i>The system of land registry books</i>, 2) <i>System of title deeds</i>, 3) <i>Cadastre of property (only land cadastre)</i> - In 1855, land books were established in some areas - First laws regulating the urban legal matter (urban planning and land use): <i>Expropriation act</i> (1865), <i>Public buildings act</i> (1865), <i>Act on settlements</i> (1866), and <i>Act on the regulation of Belgrade</i> (1867) | <ul style="list-style-type: none"> - The period of reconstruction of Serbian towns (1867-1901) - First Urban plan of Belgrade ("Plan varoši u šancu") by E. Josimović (1867); Plan of Belgrade, 1878 - "Had Serbia and Belgrade (then razed to the ground) not stood in the way of the Turkish conquest of Europe, Vienna, Munich and Marseilles would most certainly look the same today" <i>New York Times</i> (22 July, 1876) |
| From 1900 until 1941 | | <ul style="list-style-type: none"> - Cadastre of land ownership in Yugoslavia (1929) - <i>Construction Act</i> in Kingdom of Yugoslavia, 1931 (regulation of cities, building regulation, technical rules, land parcelling, expropriation, land regulation) - <i>General guidelines for writing the regulations for the implementation of the Regulation plan</i>, 1932 | <ul style="list-style-type: none"> - Plan of Belgrade, 1903 and 1910; Master plan of Belgrade, 1912 and 1923; General regulation plan, 1927 and 1939 - Le Corbusier (1911): "Belgrade – ridiculous capital, worse even: dirty, and disorganized, in the most beautiful place in the world" |
| II - Authentic development of the socialist system | | | |
| 1. Phase of administrative-socialist system (1946–1950) | <ul style="list-style-type: none"> - System based on state ownership, with strong societal control by the communist party - Centralization of the administrative-socialist system, etatization | <ul style="list-style-type: none"> - <i>Ordinance regarding the registration of state-owned real estate property rights</i> (1947) - <i>Basic regulations on design and construction</i> (1948) - <i>Basic regulation on general urban planning</i> (1949) - <i>Act on agricultural reform, confiscation, nationalization, expropriation, etc.</i> - Post-war restoration | <ul style="list-style-type: none"> - MUP of Belgrade (1948) by N. Dobrović (new city on the left side of river Sava: New Belgrade) - MUP of Belgrade, 1950 - Domination of state ownership |
| 2. Phase of authentic socialist system of self-management (1950–1990) | <ul style="list-style-type: none"> - FPRY Constitution (1963) introduced self-management in all "social-political communities". Reforms 1964–1967: measures to reduce the state role in economy; <i>market socialism</i> - Construction land passed into state property, later - social collective property | <ul style="list-style-type: none"> - <i>Federal regulation on land cadastre</i> (1953) - Courts responsible for the land registry book - <i>Act on nationalization of rentals and construction land, nationalizing built and non-built construction land in urban areas and urban settlements in FPRY</i> (1958) and principle <i>superficies solo cedit</i> was broken - <i>Act on urban and regional spatial planning in Serbia</i> (1961) determined the legal terminology and legal nature of these plans - <i>Act on transfer of land and buildings</i> (1965) forbids transfer of socially-owned construction land - SFRY laws on construction land in urban areas and settlements with an urban character (1968) | <ul style="list-style-type: none"> - Bottom up UP&G with "exotic" social ownership - Land nationalization influenced the organization of cities - Architects guilty for "superficial understanding of modern urban planning" (Le Corbusier, 1955) - MUP of Belgrade, 1972 - <i>Housing relations act</i> (1966, 1968) and the <i>Act on ownership of parts of building</i> (1965) envisaged the provision of socially owned apartments - Serbian laws on construction land 1969, 1971, 1972, 1973, 1974 |
| 2.1. Phase of associated labour and consensus economics (1974–1990) | <ul style="list-style-type: none"> - <i>SFRY Constitution</i> (1974) introduced a concept of associated labor, consensus economics, self-management arrangements and social agreements - In the 1980s Yugoslavia was a middle-developed industrial country | <ul style="list-style-type: none"> - <i>Constitution act</i> (1974) introduced social planning of socio-political communities (till the end 1980s) - All the republics brought in spatial plans (except Serbia) and this meant the beginning of the constitution of the future states and SFRY disintegration - Laws on construction land (1975–1986), land were given by public competition to state/social enterprises for use - Cadastre of real estate was introduced in Serbia (1983) | <ul style="list-style-type: none"> - <i>Planning and spatial organization acts</i> (1974, 1985 and 1989) triggered the weakening of state control in the urban system - Le Corbusier's concept of urban development according to the Athens Charter (1933) was applied, as it was compatible with the socialist system and urban planning (New Belgrade) |
| 3. The break-up of SFRY and collapse of the socialist system (1990–2000) | <ul style="list-style-type: none"> - The collapse of SFRY after the 1990s conflicts led to the formation of new states - <i>Serbian Constitution</i> (1990) | <ul style="list-style-type: none"> - The collapse of the Yugoslavia in the 1990s as consequence of complex international circumstances and political and armed conflict - <i>Act on construction land</i> (1995), <i>Act on building structures</i> (1995), <i>Planning and spatial development Act</i> (1995), <i>Act on spatial plan of the Republic of Serbia</i> (1996) - part of the ambient for FDI | <ul style="list-style-type: none"> - <i>Amendments to MUP of Belgrade</i> (1990s): regulate adding extra rooftop floors, and legalization - <i>Act on construction land</i> (1995): construction land can be public, private or state-owned, with the right of access or long-term lease |
| III - Post-socialist transitional context | | | |
| from 2000 onwards | <ul style="list-style-type: none"> - New institutional framework based on the capitalist system of neoliberal discourse - Radical change of the system of land transfer by municipalities and towns | <ul style="list-style-type: none"> - <i>Planning and construction act</i> (PCA) 2003 - Private property is allowed on construction land - Selling and transfer of rights to use undeveloped land - PCA (2009) regulates conversion of access rights to use built land into property rights, without or with a fee - <i>Act on converting the land-use right into the right on property of construction land with a fee</i> (2015) | <ul style="list-style-type: none"> - MUP (2003) with amendments 2006-2014 - The right to long-term lease of state land for 99 years introduced - PCA: construction land may be in all forms of ownership and on the market - All construction land in public ownership can be subject to the conversion procedure |

limitations due to uncertainty in the upcoming privatization process of one part of building land, a decrease in local revenues from urban land, deficit of equipped locations, evaluation of the land market values and other problems (Zeković, 2009).

RECOMMENDATIONS FOR THE FUTURE

The urban land policy includes the introduction of regulatory mechanisms, restructured institutions, new ways of financing land development, and market-based instruments of land policy. The new urban land policy includes the adaptation of the traditional urban policy and urban land policy, as well as introduction of more innovative and flexible urban land policy tools. Traditional planning tools and urban land management tools are: zoning/land regulations, urban growth boundaries, infrastructure investments, green belts, and the urban land tools with price mechanisms – land development fees, property taxes, land tenure, expropriation, etc.

In accordance with Zeković *et al.* (2015b), there is a need for alternative, adoptive or complimentary approaches to current 'command-and control' regulation. Common law, public and private agreements, and market-based tools as contemporary regulations provide development of the hybrid 'smart regulation' approach. We suggest the research and creation of guidelines for the possible introduction of more innovative and flexible urban land policy tools, and their harmonization with the urban and other regulations, viz.: 1) *Urban rezoning*, 2) *Tradable development rights, trading density for benefits – density bonus policy* (Purchase of Development Rights – PDR, or Transfer of Development Rights – TDR). Cities have used the density bonus as a policy when rezoning has been applied as a tool to capture the increased land value (Moore, 2013; Baxamusa, 2008), 3) *Infrastructure finance*, 4) *Regulatory arrangements of the Public-Private-Partnerships (PPP)*. PPP includes different types of legal acts/tools - community development agreements, community benefits agreements, planning agreements, negotiation, covenants, and easements, models of the concessions of public goods; 5) *Introduction of the financial instruments* (municipal and governmental bonds, financial derivatives – different Credit Default Swaps, etc.), 6) *Reinvestment*, 6) *Land value capture tax* (as effects of the public investment), 7) *Implosive and inclusive zoning* as a complementary tool in revitalization of brown-fields, 8) *Land tenure*, as a form of participation of the private land owner in strategic projects that provide income to the owner (Mittal, 2014).

In the future the following can be expected: a) Further development of regulations related to the legal nature and character of spatial and urban planning, and their coordination with the regulation of urban land instruments and construction land management; b) Harmonization of construction land development and the urban land instruments with the reform of local public utilities and the process of privatizing public utilities; c) Regulatory compliance of the urban planning in relation to: 1) a medium-term construction land program, 2) a medium-term program for the development of municipal utilities

in accordance with the public utility companies and with infrastructure projects, 3) projection of medium-term local budgets ; d) Alternatively, the establishment of new fiscal and para-fiscal instruments (e.g. introduction of land value capture tax, transformation of the land development fee into impact fee), or a hybrid approach (a mixture of fiscal and para-fiscal instruments); e) Innovation of the statistical data base for urban construction land at the central and local level; f) A way of articulating urban land management (re-parcelling/ readjustment/ re-plotting) with a new potential tool – the urban rezoning; g) Financing the construction of infrastructure/ common utilities, and finally h) The introduction of the UN Habitat guidelines on urban and territorial planning (2015) and the GTLN land tools (see Zeković *et al.*, 2015b), etc.

CONCLUSIONS

In Serbia, there has been a prolonged delay in the adoption of legal framework for the urban land policy during the post-socialist period. The current legal framework of the urban land system does not reflect the required political changes, the need for market regulation, and others (Nedovic-Budic *et al.*, 2012). Initial steps have been undertaken in the area of the urban land policy reforms in Serbia. Current system and practice are not sufficiently harmonized with main transformation processes and changes. Great number of basic, conceptual issues hasn't been solved. It shows the need to design reforms in this area, with regard to implementation of sustainable spatial/urban development, planning and governance, and further adjustments of the legal framework.

A comprehensive analysis of the legal frameworks on urban land policy and spatial/urban planning has shown that it is necessary to introduce: 1) a clear national urban land policy with reformed instruments and tools, and 2) an improved urban planning and urban governance. Also, we suggest implementation of those recommendations for the future urban (land) development in Serbia.

There is still no taxation of land rent, therefore urgent reform of system and policy of construction land is required, based on the market and planning mechanisms and instruments (adaptation of the traditional urban land tools and introduction of more innovative urban land policy tools). The results should support the creation of opportunities for market-oriented, encouraged and development-oriented land policy that would promote implementation of sustainable urban development.

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